Media Release

Kotak Alts realises Rs. 1,650 crore from turnaround and exit of HKR Roadways

Mumbai, 8th September 2026: Kotak Alternate Asset Managers Limited (Kotak Alts) today announced the successful exit from HKR Roadways Limited through the sale of the company to Cube Highways and Infrastructure V Pte. Limited. The investment was made through Kotak Alts' Special Situations strategy.

HKR is a special purpose vehicle operating a 206 km four-lane state highway project in Telangana under a Build-Operate-Transfer Toll concession running until February 2041. The asset operates three toll plazas and serves as a critical transportation corridor within Telangana while connecting the state to Chhattisgarh, Maharashtra and North India.

Commissioned in 2014, the project faced delays in right-of-way availability, lower-than-expected traffic volumes and sizeable pending capital expenditure. These factors led to debt servicing stress and the asset being classified as a non-performing asset.

Following a one-time settlement with the original lender consortium and recognising the underlying value of the infrastructure asset, Kotak Alts acquired a majority stake in HKR from the Gayatri Group in May 2021 and invested Rs. 800 crore towards acquiring, stabilising and transforming the asset.

Since acquisition, Kotak Alts has led a comprehensive turnaround of the project, including completion of pending capital expenditure, major road maintenance, modernisation of tolling infrastructure, implementation of ESG initiatives, strengthening of corporate governance frameworks and operational efficiency improvements. These interventions enabled the project to achieve final completion status, improve traffic and toll collections and significantly enhance overall asset performance.

The sale marks the culmination of Kotak Alts' value creation strategy for HKR. Over the investment period, Kotak Alts realised approximately Rs. 1,650 crore through distributions and the final exit transaction, generating over 2x realisation while transforming a stressed infrastructure company into a high-quality operating asset.

Rahul Chhaparwal, Managing Partner, Kotak Alts, said, "HKR is a strong example of how patient capital, deep operational expertise and active asset management can unlock value in complex situations. By working closely with stakeholders, we transformed a stressed infrastructure asset into a high-performing platform. The successful exit underscores our ability to identify, acquire and create value in special situations through hands-on execution and disciplined capital allocation."

Pratik Parekh, Partner, Kotak Alts, said, "The HKR investment demonstrates Kotak Alts' differentiated capability in acquiring and turning around distressed infrastructure assets. Following the acquisition, our focus was on execution, operational improvement and long-term value creation. Through a combination of capital investment, governance enhancement and project-level interventions, we unlocked significant value for investors while creating a stronger infrastructure asset that continues to serve the region's economic development."

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About Kotak Alternate Asset Managers Ltd

Kotak Alternate Asset Managers Limited ("Kotak Alts"), part of the Kotak Mahindra Group, focuses on Alternate Asset Management and Investment Advisory businesses. Established in 2005, Kotak Alts has raised, managed or advised over USD 22 billion across Private Credit, Real Estate, Real Asset, Private Equity and Investment Advisory. Each asset class is managed by dedicated, independent specialist teams.

For more information, visit www.kotakalternateasset.com

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